

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO,

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**SUMMARY SHEET**

**FOURTH INTERIM APPLICATION FOR  
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES INCURRED BY ANDREW WOLFE AS  
MACROECONOMIC CONSULTANT TO THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD OF PUERTO RICO, AS REPRESENTATIVE OF THE  
DEBTORS, FROM JUNE 1, 2018-SEPTEMBER 30, 2018**

Applicant:

Andrew Wolfe

Authorized to provide services to:

The Financial Oversight and Management  
Board for Puerto Rico  
August 1, 2017

Effective date of retention:

Compensation period:

June 1, 2018-September 30, 2018

Compensation sought:

\$100,000

Expense reimbursement sought:

\$3,136

Total sought:

\$103,316

This is a: \_ monthly X interim \_ final application

**SUMMARY OF TIME RECORDED DURING COMPENSATION PERIOD**

Name	Title	Hours	Hourly Rate	Total Fees
Andrew Wolfe	Macroeconomic Consultant	393.5	N/A <sup>1</sup>	\$100,000

**PRIOR INTERIM FEE APPLICATIONS**

Period Covered	Date Filed	Fees Requested	Expenses Requested	Order Entered	Fees Allowed	Expenses Allowed
8/1/17-9/30/17	1/17/18 ECF #2259	\$50,000	\$7,526.14	4/17/18 ECF #2911	\$50,000	\$7,367.86
10/1/17-1/31/18	3/16/18 ECF #2718	\$100,000	\$12,391.30	11/9/18 ECF #4200	\$100,000	\$11,823.75
2/1/18-5/31/18	7/16/18 ECF #3521	\$100,000	\$13,157.16	11/9/18 ECF #4200	\$100,000	\$12,589.62

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<sup>1</sup> Under his agreement, Andrew Wolfe is entitled to \$25,000/month, provided he “devote[s] at least half of the month’s normal business hours to services for the Board for the term of this Project Assignment,” plus reimbursement of expenses.

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MANAGEMENT BOARD OF PUERTO RICO, AS REPRESENTATIVE OF THE  
DEBTORS, FROM JUNE 1, 2018-SEPTEMBER 30, 2018**

Andrew Wolfe, macroeconomic consultant to the Financial Oversight and Management Board for Puerto Rico (“Oversight Board”), as representative of the Debtors pursuant to PROMESA section 315(b), submits his fourth interim application for allowance of compensation for services rendered from June 1, 2018-September 30, 2018 (“Compensation Period”) in the amount of \$100,000 and reimbursement of actual and necessary expenses incurred during such period in the amount of \$3,136, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1, and respectfully states:

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<sup>1</sup> The Debtors in these Title III Cases, along with the last four digits of their respective Federal Tax ID numbers, are: (i) Commonwealth of Puerto Rico (“Commonwealth”) (3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (3747).

## **JURISDICTION**

1. This Court has subject matter jurisdiction to consider this application, pursuant to PROMESA section 306(a). Venue is proper in this district, pursuant to PROMESA section 307(a).

## **BACKGROUND**

2. The Commonwealth commenced its Title III case on May 3, 2017; COFINA commenced its Title III case on May 5, 2017; HTA and ERS commenced their Title III cases on May 21, 2017; and PREPA commenced its Title III case on July 2, 2017. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of each Debtor in its respective Title III case.

3. Mr. Wolfe was initially engaged an independent contractor to provide macroeconomic consulting services in these Title III cases by agreement, dated as of August 1, 2017 [ECF No. 2718-1]. The term of that agreement ended June 30, 2018, and a substantially similar new agreement was entered into as of July 1, 2018, the term of which ends June 30, 2019. A copy of the latter agreement is annexed hereto as Exhibit 1. Under the terms of both agreements, Mr. Wolfe is entitled to compensation of \$25,000/month, provided he “devote[s] at least half of the month’s normal business hours to services for the Board for the term of this Project Assignment,” plus reimbursement of expenses.

4. As set forth in the agreements, Mr. Wolfe was engaged to, inter alia, (a) evaluate the macroeconomic framework underlying fiscal plans and make recommendations to the Oversight Board; (b) analyze fiscal projections included in the same; (c) advise on additional policies that could be enacted, including structural reforms; (d) assess debt sustainability; and (e) advise on developments under a certified fiscal plan and assist in the monitoring process.

5. Prior to his retirement in 2014, Mr. Wolfe was senior manager of the Western Hemisphere Department at the International Monetary Fund for 27 years. He is presently an adjunct lecturer at American University in Washington, D.C. He holds a Ph.D. in economics from the University of Wisconsin and a B.S.E. in economics and engineering from the University of Pennsylvania.

**BASIS FOR RELIEF REQUESTED**

6. PROMESA section 316(a) provides that this Court “may award to a professional person employed by ... the Oversight Board (in the Oversight Board’s sole discretion) ... (1) reasonable compensation for actual, necessary services rendered by the professional, or attorney and by any paraprofessional employed by any such person; and (2) reimbursement for actual, necessary expenses.”

7. Pursuant to subdivision (c):

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (1) the time spent on such services;
- (2) the rates charged for such services;
- (3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;
- (4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and

(6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

8. PROMESA section 317 and the interim compensation order [ECF No. 3269] permit professionals to apply for allowance of compensation and reimbursement of expenses on an interim basis.

9. Each factor set forth in section 316(c) supports allowance of the compensation sought herein on an interim basis.

(a) Time spent on services rendered. Mr. Wolfe spent 393.5 hours working on Title III matters during the Compensation Period. Time detail for the Compensation Period is annexed hereto as Exhibit 2.

(b) Rates charged. As set forth in the Wolfe Certification (defined below), the compensation sought is billed at rates no less favorable than those customarily employed by him.

(c) Whether Services were necessary or beneficial. The services rendered were necessary to the administration of these Title III cases, and beneficial when rendered. The Oversight Board hired Mr. Wolfe for the purpose of providing these services and has approved this application.

(d) Timeliness of services rendered. The services rendered were performed within a reasonable amount of time, given their complexity and importance to these Title III cases.

(e) Professional certifications; Restructuring Experience. As noted above, in addition to holding a Ph.D. in economics, Mr. Wolfe has decades of experience at the IMF, and the macroeconomic expertise sought by the Oversight Board and necessary to the success of these cases.

10. During the Compensation Period, Mr. Wolfe incurred reasonable and necessary expenses in connection with his engagement. A detailed itemization is annexed hereto as Exhibit 3. Mr. Wolfe has endeavored to minimize expenses incurred in connection with this engagement, and submits that those expenses for which reimbursement is sought are reasonable and justified by the circumstances to effectively serve the needs of the Oversight Board.

11. The certification required by Local Rule 2016-1(a)(4) and Rule 2016 is annexed hereto as Exhibit 4 ("Wolfe Certification").

WHEREFORE, Mr. Wolfe requests an order allowing interim compensation for services rendered during the Compensation Period in the amount of \$100,000 and reimbursement of actual and necessary expenses incurred during such period in the amount of \$3,136, directing payment of the foregoing amounts less that portion already paid under the interim compensation order, and granting such other and further relief as this Court deems just and proper.

Dated: December 3, 2018

Respectfully submitted,

/s/ Andrew Wolfe  
Andrew Wolfe

*Macroeconomic Consultant to Financial  
Oversight and Management Board*

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